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March 25, 2004

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station, 2nd Floor
Boston, Massachusetts 02110

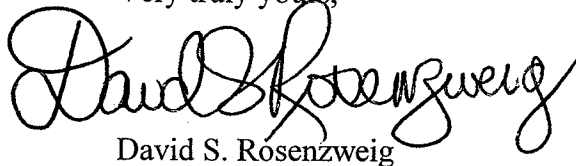
Re: D.T.E. 03-121, NSTAR Electric Standby Rate Tariffs

Dear Secretary Cottrell:

Enclosed for filing please find an original and six (6) copies of NSTAR Electric's Second Set of Information Requests to: (i) the Division of Energy Resources; (ii) The Energy Consortium; and (iii) the Joint Supporters.

Thank you for your attention to this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "David S. Rosenzweig", written in a cursive style.

David S. Rosenzweig

Enclosures

cc: William Stevens, Hearing Officer
John Cope-Flanagan, Hearing Officer
Service List

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Boston Edison Company)

Cambridge Electric Light Company)

Commonwealth Electric Company)

D.T.E. 03-121

**NSTAR ELECTRIC SECOND SET OF INFORMATION REQUESTS TO THE
DIVISION OF ENERGY RESOURCES**

Instructions

The following instructions apply to this set of information requests and all subsequent information requests issued by NSTAR Electric in this proceeding.

1. Each request should be answered in writing on a separate page (paginated) with a recitation of the request, the identification number of the request (for example, NSTAR-DOER-2-1), the docket number of the case, the date of the response, and the preparer of the response or the name of the person responsible for the answer. Please mark each page of an answer with the identification number of the request. In addition, please clearly reference any attachments to a response with the number of the request to which it applies and include page numbers on all attachments.
2. Please do not wait for all responses to be completed before supplying answers, but instead please provide the answers as they are completed.
3. These information requests shall be deemed continuing in nature so as to require further supplementation if DOER or its witness receive or generate additional information within the scope of those requests between the time of the original response and the close of the record in these proceedings.
4. The terms used interchangeably within these information requests relating to "any and all", "documentation", "support", and "justification" mean provide all data, assumptions, and calculations relied on. Provide the source of and basis for all data and assumptions employed. Include all studies, drafts, memos, reports, and planning documents from which such data, estimates and assumptions were used. Provide and explain any and all supporting workpapers.
5. The term "document" is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phonographic records,

microfilm, microfiche, computer printouts, memoranda, letters, correspondence, handwritten notes, records and reports, bills, checks, articles from journals or other sources, and other data compilations from which information can be obtained, and all copies of such documents that bear notations or other markings that differentiate such copies from the original.

6. If the Respondent believes that any of these information requests are ambiguous or need clarification, please contact David Rosenzweig or Stephen August at (617) 951-1400 so that the requests can be clarified prior to the preparation of a written response.
7. If an answer provides a reference to another information response, please provide that response with the answer.
8. If a question refers to an information request of another party, please provide an answer with information that supplements the previous responses.

Information Requests

Information Requests Relating to the Pre-Filed Testimony of Mr. Pereira

- NSTAR-DOER-2-1 Referring to page 3, lines 30-32, and Mr. Pereira's statement that "there are studies that suggest that [DG] customers may be contributing a benefit to the system and thereby the non-standby customers by the presence of the on-site generation", please provide a copy of the referenced studies, including any and all data, analyses, assumptions and reports related thereto.
- NSTAR-DOER-2-2 Referring to page 5, lines 13-15, is it Mr. Pereira's position that NSTAR Electric's standby rates should vary by location? If so: (a) please identify how many different rates would be required and (b) state whether distribution charges for "all-requirements" customers also should vary by location in the same manner? Please explain.
- NSTAR-DOER-2-3 Is it Mr. Pereira's position that the distribution facilities serving a particular neighborhood should not be sized to handle the expected peak loads of full-service customers plus the possible peak loads of DG customers in that area? Please explain.

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Boston Edison Company)
Cambridge Electric Light Company)
Commonwealth Electric Company)

D.T.E. 03-121

**NSTAR ELECTRIC SECOND SET OF INFORMATION REQUESTS
TO THE ENERGY CONSORTIUM**

Instructions

The following instructions apply to this set of information requests and all subsequent information requests issued by NSTAR Electric in this proceeding.

1. Each request should be answered in writing on a separate page (paginated) with a recitation of the request, the identification number of the request (for example, NSTAR-TEC-2-1), the docket number of the case, the date of the response, and the preparer of the response or the name of the person responsible for the answer. Please mark each page of an answer with the identification number of the request. In addition, please clearly reference any attachments to a response with the number of the request to which it applies and include page numbers on all attachments.
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Information Requests

Information Requests Relating to the Pre-Filed Testimony of Ms. Saunders

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| NSTAR-TEC-2-1 | Referring to page 9, lines 1-5, please identify what technologies of generation are being assumed when Ms. Saunders states her expectation that backup loads will have a high degree of diversity. Is Ms. Saunders assuming that, for the purpose of this expectation, backup loads are used for planned and unplanned maintenance only and not for economic reasons (e.g., production cost for the DG is above the cost at which it can purchase power)? Please explain. |
| NSTAR-TEC-2-2 | Referring to page 10, lines 1-2, is it Ms. Saunders' position that standby rates should be designed to recover marginal cost rather than embedded costs? Is it Ms. Saunders' position that rates to all customer classes should also designed to recover marginal cost rather than embedded costs? Please explain. |

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Boston Edison Company)
Cambridge Electric Light Company)
Commonwealth Electric Company)
d/b/a NSTAR Electric)

D.T.E. 03-121

**NSTAR ELECTRIC SECOND SET OF INFORMATION REQUESTS TO THE
JOINT SUPPORTERS**

Instructions

The following instructions apply to this set of information requests and all subsequent information requests issued by NSTAR Electric in this proceeding.

1. Each request should be answered in writing on a separate page (paginated) with a recitation of the request, the identification number of the request (for example, NSTAR-JS-2-1), the docket number of the case, the date of the response, and the preparer of the response or the name of the person responsible for the answer. Please mark each page of an answer with the identification number of the request. In addition, please clearly reference any attachments to a response with the number of the request to which it applies and include page numbers on all attachments.
2. Please do not wait for all responses to be completed before supplying answers, but instead please provide the answers as they are completed.
3. These information requests shall be deemed continuing in nature so as to require further supplementation if the Joint Supporters or their witnesses receive or generate additional information within the scope of those requests between the time of the original response and the close of the record in these proceedings.
4. The terms used interchangeably within these information requests relating to "any and all", "documentation", "support", and "justification" mean provide all data, assumptions, and calculations relied on. Provide the source of and basis for all data and assumptions employed. Include all studies, drafts, memos, reports, and planning documents from which such data, estimates and assumptions were used. Provide and explain any and all supporting workpapers.

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8. If a question refers to an information request of another party, please provide an answer with information that supplements the previous responses.

Information Requests

Information Requests Relating to the Prefiled Testimony of Mr. Lively

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| NSTAR-JS-2-1 | Referring to page 8, lines 161-167, please provide all studies, reports and analyses quantifying DG’s reduction in locational marginal price and the “benefits to the community” described. |
| NSTAR-JS-2-2 | Referring to page 12, line 262, please define “costly” as used in this question and answer. Is costly understood in the context of dollars/kWh, dollars/kW of peak demand, total monthly or annual delivery cost, or some other measure? |
| NSTAR-JS-2-3 | Referring to page 12, line 276, please define in detail the “costing mechanism” that is cited. |
| NSTAR-JS-2-4 | Referring to page 13, lines 289-303, is it Mr. Lively’s position that a customer’s annual billing demand ratio is the appropriate measure of the similarity of customers’ load profiles for purposes of identifying differences in the cost of providing distribution service? Please explain. |
| NSTAR-JS-2-5 | Referring to page 13, lines 289-303, is it Mr. Lively’s position that customers with similar billing demand ratios should pay the same distribution rates? Please identify what definition of “billing demand” Mr. Lively is relying upon as the basis for the response to |

this information request and as the basis for Mr. Lively's prefiled testimony.

- NSTAR-JS-2-6 Referring to page 14, lines 326-330, please provide all studies, reports, and analyses that support Mr. Lively's conclusion that, given similar annual billing demand ratios, customers with DG will not incur as much cost per unit of annual maximum demand as will customers without DG.
- NSTAR-JS-2-7 Referring to Information Request NSTAR-JS-1-18, please identify which documents provided in response to this request provide information specifically about the standby loads of DG customers.
- NSTAR-JS-2-8 Referring to page 15, lines 357-358, please define Mr. Lively's use of the phrase "better load research characteristics," as used in this passage.
- NSTAR-JS-2-9 Referring to page 15, lines 364-370, please provide the basis for the statement that "the demands placed on a distribution grid by customers with distributed generation are more likely to be associated with a random outage of the distributed generation, not weather." Provide all studies, reports and analyses to support this assertion.
- NSTAR-JS-2-10 Referring to page 19 lines 454-458, please provide Mr. Lively's definition of the term "competitively dispatched" in line 455. Is Mr. Lively referring to outside control (e.g., by the utility or the independent system operator) of the customer's generator and internal load for the purpose of selling energy to the grid?
- NSTAR-JS-2-11 Referring to page 20, lines 487-493, is it Mr. Lively's position that DG investors/operators prefer tariffed terms for interruptible service as compared to negotiated service? Please explain the basis for this position and provide any notes, correspondence or other written documents that confirm this preference.
- NSTAR-JS-2-12 Referring to page 21, lines 510-512, please identify whether the referenced payments are made to DG customers in the form of reduced standby rates or are made through some other method. Please supply all documents identifying, describing and otherwise documenting the details of each referenced utility and regulatory commission that has adopted such policies.
- NSTAR-JS-2-13 Referring to page 24, line 590-593, is it Mr. Lively's proposal that "dynamic pricing" be mandatory for DG? If "dynamic pricing" for DG is not mandatory, would DG customers be allowed to switch back and forth from normal service to "dynamic pricing" under Mr. Lively's proposal? Please explain.

- NSTAR-JS-2-14 Please provide any and all studies, reports and analyses that identify the cost of creating, implementing and operating the “dynamic pricing” proposal for DG described in Mr. Lively’s testimony. From whom does Mr. Lively believe such costs should be recovered?
- NSTAR-JS-2-15 Referring to page 28, lines 674-690, please explain whether Mr. Lively assumes that DG operators will have automatic generator controls (“ACG”) on their generators under his proposal. If not, how will the DG operators know that they should run their generators in a leading or lagging manner to “help NSTAR serve its other customers in a better manner”? Please explain.
- NSTAR-JS-2-16 Referring to page 29, lines 703-715, please identify the size of the DG facility at the University of California mentioned by Mr. Lively. Please explain how the DG operator is notified that SMUD has low voltage problems in that part of town? How is the DG compensated for producing or absorbing reactive power at SMUD’s request? Please explain how this level of compensation is determined. Please provide a copy of any and all documents relating to this response.

Information Requests Relating to the Prefiled Testimony of Mr. Hannus

- NSTAR-JS-2-17 Referring to Exhibit Joint Supporters-DH-2, please provide all workpapers, including all calculations, data and assumptions adopted for purposes of developing the information provided in this exhibit.